



# CAPACITY BUILDING IN KITAMAAT

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## **INTRODUCTION**

Many concerns about globalization focus on the growing influence of corporations, their role in international trade, and the resultant weakening of the power of the nation state as critical factors in the (purported) threat to or the undermining of democratic practices. Sometimes this is accompanied by exaggerated estimates of the potential of third sector organizations, such as international NGOs and labour unions, to restore democracy in places where it has been undermined. More recently, the new security measures implemented in response to the events of 9/11 have been added to the list of significant threats to democratic practices. This way of understanding our current situation concerns me for a number of reasons.

The first is that it does not fit with my experience in working with communities that are struggling to establish control over their own destiny. Members of those communities are concerned about corporate action and inaction, but they also perceive that governments and NGOs are implicated in creating the conditions with which they are struggling. Perhaps the most obvious example is First Nations communities in Canada, where churches and the government worked together to develop a system of residential schooling, often with the explicit goal of undermining indigenous cultures. The emotional, psychological and sexual abuse suffered in those institutions continues to have a significant impact on many abo-

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iginal communities and to undermine the capacity of many individuals to shape their own lives.

The second reason is that the separation of organizations into “good” and “evil” according to their economic form does not correspond to my experience of how organizations work. Although much is made of the fact that corporations are driven purely by the profit motive and that any actions other than those that maximize shareholder value are unethical within the context of a corporation, it is commonplace in the corporate world for companies to recognize that they have obligations to a wider set of stakeholders. Sadly, it is also commonplace to see government organizations and even voluntary sector organizations behave very badly or even corruptly in order to gain individual advantages or to protect organizational interests. Any goal, be it the well-being of the members of one’s group, the protection of natural habitat, or the education of citizens, may be pursued without due regard for other goals and other people. It would appear that neither virtue nor its opposites reside in any particular organizational form.

The third reason is that treating corporations as the problem and third sector organizations as the solution may result in ignoring resources that could be useful for communities trying to become more autonomous. It also places an unreasonable burden on those organizations. There are many cases in which all sectors of society have contributed to creating undemocratic situations. It should be seen as a shared responsibility among all sectors of society to address them.

The fourth reason is that, although the new security measures may be undemocratic, disproportionate focus on them could distract us from some of the root causes of the inability of many communities to become more democratic and more in control of shaping their own destinies. In my experience, for communities facing these types of extreme challenges, the most obvious factors that undermine self-determination are poverty, drug and alcohol abuse, lack of employment, racism, and parochial programs that provide social services only at the expense of community control. In such cases, democratic issues such as the nature of representation, decision-making powers, and other procedural issues are swamped by the paralyzing effects of poverty and a culture of dependency.

The fifth reason is that globalization is a complex phenomenon that is comprised of major streams, but also crosscurrents and eddies. While the globalization of trade and the subsequent increase in corporate capacity to shift resources and benefits from nation to nation, sometimes without regard for the welfare of the countries and the communities involved, is a major aspect, we have also seen counter-currents. These include the slow but significant development of international justice and human rights. International NGOs or consortia of NGOs are able to exchange information and collaborate on tactics through some of the same information systems that have enabled growth in global trade. Knowledge

and access to technology have also been globalized, sometimes to improve health care and make other positive changes, sometimes at the expense of local cultures and practices. In this kind of complex and massive state of flux, it is tempting to latch onto a relatively simple analysis that can motivate action. It is also tempting to find an explanation that creates clear villains and which exonerates us and the people we know who approach their work with sincerity and commitment. Both globalization and democratic practices are complex and contested phenomena. We should therefore be respectful of different viewpoints and humble about the limitations of our own. Oversimplification of the issues is likely to lead us to miss what may be valuable in other ways of seeing and to lack sufficient perspective of our own views to be self-critical.

My work with the Haisla First Nation in Kitamaat Village provides one touchstone for my thinking in this area. I have been involved in helping the community address capacity-building issues for the last two years. This work is fundamentally important and challenging. My hope is that discussion of this paper will lead to new ways of thinking about this challenge.<sup>2</sup> In the interests of full disclosure, Alcan, the Vancouver Foundation, and Western Economic Diversification have funded my work in Kitamaat Village.

## **KITAMAAT VILLAGE**

The Haisla First Nation has a heritage as a trading nation. Although it fought when necessary, it prospered primarily through harvesting rich resources on its traditional lands, especially oolichan, a type of fish used mainly to make oil,<sup>3</sup> and by trading this and other commodities along the Pacific Coast.

The area frequented by members of the Haisla Nation includes the Kitimat Valley, which since the 1950s has been the home of the town of Kitimat (population 11,000) and the Alcan aluminum smelter. It was the presence of the smelter and the huge Kemano power plant, supplied with water diverted from the Nechako Basin, that brought about the creation of the town. The Kitimat Valley is reported to produce 11% of the GDP of the province of British Columbia, although less than 3% of the population lives there.

Currently, the centre of the Haisla First Nation is the Village of Kitamaat, located near the head of Douglas Channel, a 90 km-long inlet that leads in from the Pacific Ocean, and about 15 km from the municipality of Kitimat. About 650 of the Band's 1500 members live there, with most others living in the nearby

<sup>2</sup> Ellis Ross, Councilor, helped me with the presentation of a draft version of this paper in an effort to avoid the worst risks of speaking for a community of which I am a friend, but not a part. Ken Hall, Councilor, assisted with delivery at GO5.

<sup>3</sup> [www.nanakila.ca/oolichan](http://www.nanakila.ca/oolichan).

towns of Kitimat and Terrace, or in the Vancouver area, some 1300 km by road to the south.

The living conditions for the people in Kitamaat are poor. The problems are typical of most First Nations communities in the region:

- High unemployment—around 60%. Fishing, in the recent past the most profitable economic activity of Band members, is now in serious decline.
- Inadequate housing—neither the supply nor the quality meets the needs of a fast growing community.
- Education—school and post-secondary completion rates are low.
- Health—all indicators of health are significantly below provincial standards.
- Drugs and alcohol—health and social problems are exacerbated by addictions.

Under the surface of day-to-day life in Kitamaat is a set of reminders of other ways of thinking and living. The houses are standard boxes for the most part, made almost entirely from materials that are common in any inexpensive suburban development in North America. Many of the yards are untidy and many of the houses need repairs or other kinds of attention. Almost nothing reflects the rich cultural tradition of the Haisla and there is no sign of the wealth that characterized the Nation only a few generations ago. There is little sign even of the wealth created by successful fishing operations only one generation ago, now defunct due to the decline in fish stocks. At the same time, anyone with even slight knowledge of the Haisla quickly comes to see another version of reality, just slightly out of plain view.

The geographical setting is magnificent, with the Village sitting near the head of the enormous channel, with hills and mountains rising directly from it. The incursions of western construction and materials seem very temporary, like stage sets, and the forest appears poised to retake the roads and yards. Glimpses of carvings, the odd article of clothing or an old photograph prompt the imagination to fill in a picture of a community with a highly formalized structure and distinctive arts and culture. Many leadership roles were defined by clan, family, gender and birth order. There were proper times and specific types of preparation for major events and annual occurrences. There were proper ways to ask questions, to make decisions, to ask forgiveness, and so on. While Haisla societal arrangements appear to have had little in common with western notions of representative democracy, without romanticizing, it appears that individuals had the means to address their concerns through an elaborate structure of consultation and consensus-based decision-making.

As with the physical setting, current structures of decision-making and accountability are largely composed of imposed or adopted western conventions with only occasional references to traditional structures. Overall, the capacity of Band

members to be self-determining is undermined by a myriad of factors, political, economic and social. Most notably, there has been no settlement of land claims and treaty negotiations. Unlike most jurisdictions in Canada, the Province of British Columbia did not establish treaties with First Nations in the past, and only now is trying to resolve issues around land stewardship and self-governance. Band councils, as is typical in BC's First Nations communities, are elected for only two years, with elections often being decided by a handful of votes. Family and clan allegiances often count for more than policy issues.

Thus, clarity does not exist with respect to decision-making on key issues related to Haisla interests and is often somewhat provisional, as councils seem largely to be in a state of being "just elected" or "getting ready for the next election." Like many other BC First Nations, the Haisla are pursuing treaty negotiations, but not to the neglect of economic development, which is needed whether or not negotiations are successfully concluded.

The federal Department of Indian and Northern Affairs continues to manage and control many aspects of the Band's budget. The residential school system removed a generation of young people from their homes and communities, intentionally sought to extinguish their traditions, language and culture and often subjected children to sexual, psychological, and physical abuse. It left in its wake a legacy of undermined confidence and shattered intergenerational relationships and child-raising practices. Low levels of education, poor health, addiction issues and weak economic circumstances in the region, especially through the 80's and 90's, have hamstrung individual initiative and opportunities for enterprise.

In the areas of the economy that are productive and pay good wages, the Haisla are significantly under-represented. Only a few work at the Alcan smelter and a local pulp mill and recent attempts to increase that number have produced only modest results.

Housing, a prerequisite for health and well-being, is a highly problematic issue. Mould resulting from inadequate ventilation in a cold and damp climate has immediate health consequences, often exacerbating other health issues. In addition, investment in housing, often a major source of economic security for Canadians, does not function that way on reserves under the provisions of the Indian Act. The land remains the property of the Crown and houses cannot be sold on the open market even if they have been built with earned income or privately negotiated mortgages.

The local political and economic context is highly conflicted. The District of Kitimat (the nearby town) announced on January 16, 2004 that it was going to court to stop Alcan from selling electricity from its power plant, arguing that its contract with the provincial government allows it to produce power for the purposes of making aluminum and that its practice of selling power, and therefore

reducing aluminum production, is costing the local economy jobs and the provincial government revenue.<sup>4</sup> The provincial government has not supported that action and Alcan claims it is operating within the terms of its agreement. While a first hearing of the case ruled that the District has no standing to pursue a suit against Alcan, it has stated its intention to re-launch its case in a new way.

Relationships between Alcan and Kitamaat Village are better, although some outstanding issues exist. They have signed a protocol agreement to deal with matters of mutual interest and have concluded arrangements to transfer land owned by Alcan near Kitamaat Village to the Band, but a number of contentious issues remain with respect to land use and the environment. Negotiations regarding similar issues are ongoing between the Band and other major local businesses.

Relations between the Village of Kitamaat and the District of Kitimat have also been strained around several issues, with little sign that the District sees the Village as a potentially important partner in needed economic diversification.

## HOPE FOR THE FUTURE

On October 5, 2004, Steve Wilson, the Chief Councilor of Kitamaat Village convened a meeting of representatives of major partners and potential partners in economic development and capacity building. A second meeting has since been held. Representatives of local and provincial government, multinational corporations including Alcan and Enbridge, other local employers in tourism and forestry, providers of professional services, funding agencies, and educational institutions were all represented. The Village was represented by councilors, hereditary chiefs and Band members.

Chief Wilson reported that over the last three years, the Band had taken control over its finances, eliminating a significant debt, and negotiating a Forestry Agreement that provides security for a line of credit so that the Haisla can invest in business opportunities. He outlined a strategy of economic development through partnerships with successful existing businesses and the creation of an economic development corporation that would operate independently of the elected council, but with significant input from appointees of the hereditary chiefs. Economic plans include a focus on ecotourism, land-use management, forestry, and aquaculture, and are being pursued in part through an alliance with other First Nations in the region.

<sup>4</sup> The District of Kitimat's view of this matter is presented in a series of documents at [city.kitimat.bc.ca/index.php/CityNews/PowerSales](http://city.kitimat.bc.ca/index.php/CityNews/PowerSales).

All parties were invited to contribute their thoughts on how economic development opportunities could be successfully pursued and how resources could be mobilized to build capacity. This in turn would contribute to success in establishing enterprises and more effective operation of the Band. By all appearances, most organizations in attendance are committed to following up.

At present, the Council has established a task force charged with continuing the process with capacity-building initiatives. These include:

- a preschool program to prepare parents and youth for school success;
- more active counselling for senior high school students about the relationship between course selection and career options;
- a program to assess and improve how the community school and the rest of the school system serves Haisla youth;
- a job preparation program to assist career entry, linked to local employer requirements;
- an ongoing management program for Band managers and emerging managers of economic development projects;
- a centre to provide support and encouragement to would-be entrepreneurs;
- a housing project aimed at remediation and new construction, to ensure that Haisla develop skills in the construction business and trades and the establishment of higher standards.

## **DISCUSSION**

In looking at the issues and circumstances in Kitamaat through the lenses of learning, voluntary action, citizenship and globalization, a complex picture emerges.

Historically, the capacity of the Haisla to shape their own destiny has been interfered with, primarily through government action and inaction. The policy of the Canadian government was (sometimes overtly and sometimes not) to control indigenous peoples and limit their opportunity to involve themselves in economic development. Often it was explicitly assimilationist. But it was not through government action alone that the peoples of the Northwest Coast were reduced from self-governing and economically self-sufficient nations to cultures of dependency, in all too many cases. The third sector, especially through church-sponsored organizations, played a major role in many of the activities that most harmed these communities, including the residential schools. Public educational institutions, in spite of some notable efforts by individuals, have largely failed to seriously address their obligation to correct these deficiencies. Too many aboriginal children

are being left behind in our educational systems. For the most part, educational institutions will make special arrangements to address First Nations priorities only when funding is available for that purpose.

Today, one could argue that every sector of society could and should be doing more to assist the First Nations, including the Haisla, to return to a state where they can make independent decisions about their priorities and negotiate with other parties about matters that affect them. This is certainly true for corporations that have benefited from access to traditional First Nations land and resources, and, in many cases, done severe harm to the ecosystems that supported those Nations, while governments have mostly stood by passively.

Efforts by the third sector have also been wanting. Unions, for example, are often part of the problem when programs are created to assist members of disadvantaged groups to secure employment. Unions in the Kitimat area have certainly not been proactive in reaching out to First Nations, understandably perhaps, in light of declining workforces in most major plants.

Environmental groups are often interested in working with First Nations to accomplish their goals. However, many First Nations see them as opportunists who are with them when their interests coincide, but who are unwilling to invest in long-term capacity building and very quick to withdraw if First Nations consider involvement in economic development that does not fit their objectives. From a First Nations' perspective, large environmental organizations seem to be able to attract a lot of money to preserve forest land but often little of it or the expertise required to monitor and preserve the land are transferred to their communities. Since many environmental groups with extensive resources are not local, their objectives may be aligned in terms of environmental protection, but there may be little attachment to the importance of community development or community well-being as an aspect of sustainability.

So, is globalization part of the problem in Kitimaat? There is no doubt it is, given that global markets for aluminum, pulp and paper, electrical power and fish have driven many of the changes that have adversely affected resources available to the Haisla from their environment. But when it comes to ongoing obstacles blocking a return to the self-determining, economically self-sufficient nation that the Haisla once were, it would appear that corporate globalization is only a part of the story and that every sector could do more to fulfill its obligations toward those it has harmed.

What is needed to go forward? Internally, the Haisla Nation has wisely focused on three major objectives:

- Building relationships with partners, which include major employers, companies with proposed projects in the area, and educational providers who can support capacity building.
- Capacity building itself—developing the internal resources to manage services, governance and economic development projects.
- Separating politics and economic development through the creation of an economic development corporation with some autonomy from the Band Council.

Viewed in light of these goals, the kind of multi-stakeholder meetings organized by the Chief Councilor and the Council of Kitamaat could be seen as a new democratic form. Implicit in it is acknowledgement that governments, corporations and third sector organizations are all needed in our present state of development to address questions of social justice and the building of civil society.<sup>5</sup> Cooperation will be required if the various dimensions of a sustainable, self-determining future are to be available for the Haisla. Understanding the need for and role of corporate business development as a part of building this future is critical.

It would be naïve to imagine that all these kinds of organizations will cooperate simply in the interests of social justice. All will bring their own agendas. There will be imbalances of power, as there always have been in any attempts to build more just and democratic societies. Corporations will pursue profitability; governments will pursue the support of citizens; and non-profit organizations will pursue their specified purposes in light of resources available. They will all do this with their own interests in mind, only sometimes mitigated by their relationships and commitments to the interests of others. What this suggests is that those working in and with communities think about the factors that might influence organizations to be better or worse partners. This kind of strategic analysis is certainly being done by corporate organizations, and likely ought to be a more explicit part of plans made by communities interested in building their capacity to operate in a more self-sufficient, self-determining manner.

While space precludes any systematic analysis of these factors, two that are particularly linked to the theme of globalization stand out. One is that an organization that is trying to build a global reputation has more at stake in being seen to work with local communities than an organization that does not. A small mining company with limited resources and only one or two operations may not be able to take the larger view of a situation, whereas a big company with many sites around the world cannot afford to consistently alienate local communities if it expects to be able to pursue future projects successfully.

<sup>5</sup> There are many other examples of such multi-party attempts to address civic, social and environmental issues. The Fraser Basin Council, which explicitly recognizes the input of all three sectors in its efforts to create a sustainable watershed, is one example: [www.fraserbasin.bc.ca/about\\_us/who.html](http://www.fraserbasin.bc.ca/about_us/who.html).

A second factor has to do with just how expensive it is to move a local operation. We are all used to the idea that capital in a globalized economy is mobile, that it can chase opportunities at the expense of local interests. But this is a matter of degree. A large university, or a smelter that costs many hundreds of millions of dollars and may be linked to infrastructure such as a hydro-power plant, is not easy to move. Being tied to a specific location means that a company or other organization has a strong interest in solving disputes, in taking the longer view, rather than walking away from challenges and issues.<sup>6</sup>

Knowledge of these kinds of factors could inform a more detailed analysis that may shape communities' strategies in building alliances, which may be required to obtain key resources and expertise. In this way, some of the communities that are facing the biggest challenges will find new ways to cope with a globalized economy, which realistically take into account the roles that organizations from government, business, and the third sector can play.

<sup>6</sup> David Maurasse, author of *Beyond the Campus*, a book about community/university partnerships, uses the term "sticky capital" to refer to assets that are hard to move.